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OGC Has Reviewed

INSURANCE

1. Liability.
2. Premium Payment.

Research Branch, I & S
Attention: Mr. [REDACTED]
Office of General Counsel

25X1A

5 October 1949

Liability Insurance on Government-Owned Automobiles.

1. Your memorandum of 30 September 1949 requested our opinion regarding the use of confidential funds to pay premiums on insurance for public liability and property damage on an automobile owned by the Agency, but held in the name of an individual agent.

2. Normally, as a matter of policy, the Government acts as a self-insurer and does not buy insurance from private firms unless it is required by statute. However, where it is considered advisable to procure such insurance for purposes of security, we do not feel that there is any legal objection to using confidential funds for payment of the premiums on the insurance proposed.

3. We should like to point out that the Agency has authority to settle tort claims for less than \$1,000; and, where security is a paramount factor, payment can be made from confidential funds. You may wish to consider this as an alternative to private insurance. The authority, however, does not extend to tort claims arising overseas.

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cc: Subject
Chrono
Legal Decisions